

Congress of the United States
House of Representatives
Washington, DC 20515

October 6, 2016

828

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Dear Chairman Wheeler:

We are writing in regards to the Further Notice of Proposed Rulemaking (FNPRM) on business data services (BDS) issued by the Federal Communications Commission on May 2.

Few things are as important in today's economy as supporting ongoing investment in high speed data infrastructure. Business broadband is a key component for our nation's economy and the source of tens of thousands of well-paying, middle class jobs around the country. Many services Americans consumers rely on daily, from connections for smart phones, to financial access at retailers and Automated Teller Machines, or to computer connections in the workplace, are built on top of BDS infrastructure. We are concerned that the Commission's proposed rulemaking will slow the rate of investment in BDS and harm the services that rely on this critical infrastructure and we urge the FCC adopt final rules that will not reduce investment or deter growing competition in BDS.

Today, billions of dollars are being invested in BDS from a larger number of providers than ever before. Cable providers, competitive exchange carriers, wireless backhaul providers and other new entrants are increasing competition in business broadband services, giving small and large businesses greater options for their BDS needs. As the FCC finalizes its rulemaking, it is important the Commission consider all available data, including data provided by major cable operators. A failure to recognize the extent of competition, will likely result in regulations that will deter incumbent, recent, and future providers from investing in BDS, harming providers and consumers alike.

We agree that competition is best. Federal telecommunications regulations should incentivize greater broadband investment and spur greater competition. Where competition exists, consumers are in charge and benefit from greater choice on price, quality, and service, while limiting the need for government regulation.

Thank you for your attention to this important matter and we look forward to your prompt response. If you have questions, please do not hesitate to contact us.

Sincerely,


Gene Green
Member of Congress


Bill Flores
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 17, 2016

The Honorable Gene Green
U.S. House of Representatives
2470 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Green:

Thank you for your letter regarding the Commission's business data services rulemaking proceeding.

Business data services (BDS), historically known as special access services, are critically important in our connected economy and society. Offices, retailers, banks, manufacturers, schools, hospitals, and universities use these dedicated network connections to move large amounts of data. As you note, consumers use them indirectly every time they withdraw cash from an ATM or swipe their credit card at a retail store. And mobile networks depend heavily on the use of BDS for the backhaul of mobile traffic.

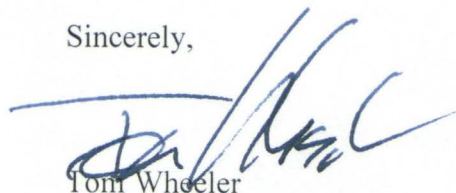
Earlier this year we sought broad public comment on reforming and modernizing the existing, fragmented regulatory BDS structure with a new framework. Recently, I circulated to my fellow Commissioners proposed rules to reform the regulatory regime for BDS to promote fairness, competition, and investment in this important marketplace. The circulated Order provides a new framework that strikes a balance between targeted regulation for legacy services, where evidence of market power is strongest, and lighter-touch regulation for packet-based services, where, as you note in your letter, there has been new entry and competition may be emerging.

With respect to your concern regarding the BDS data collection, I share your interest in ensuring an accurate dataset, including data submitted by major cable operators. In the BDS Further Notice of Proposed Rulemaking adopted earlier this year, the Commission emphasized that it sees the entry of cable operators into the BDS marketplace as a very positive development and an important factor to be considered in any final rules. While some parties have expressed concern about potential shortcomings in the data collected, this collection represents the most robust dataset available to date on the suppliers and purchasers in the BDS industry. The proposed Order is grounded in the comprehensive record of this proceeding, including careful review of the sophisticated economic analyses presented by multiple parties as well as other record evidence, including developments since the 2013 data collection.

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I appreciate your interest in this matter. Your views will be included in the record of the proceeding and considered as part of the Commission's review. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", with a long horizontal stroke extending to the left.

Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

November 17, 2016

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U.S. House of Representatives
1030 Longworth House Office Building
Washington, D.C. 20515

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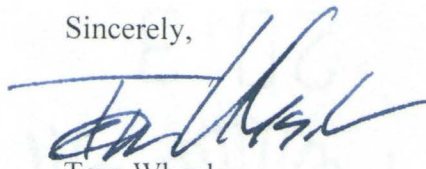
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Tom Wheeler

